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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1992

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 33-27123-NY

VISITEL NETWORK, INC.
(Exact name of Registrant as specified in its charter)

DELAWARE	33-0582986
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2862 East Flamingo Road, Suite D, Las Vegas, Nevada 89121
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (702) 735-1684

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ____

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date.

Class	Outstanding at March 31, 1992
Common Stock, par value $.002 per share	6,517,796

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Visitel Network, Inc.

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PART I, Item 1.
Financial Information

VISITEL NETWORK, INC. AND SUBSIDIARY
CONSOLIDATED CONDENSED BALANCE SHEETS

ASSETS

	March 31, 1992 (UNAUDITED)	September 30, 1991
Current assets:		
Cash	$44,592	$1,418,859
Accounts receivable	41,189	14,318
Stock subscription receivable, 102,000 shares at $2.00 per share		204,000
Total current assets	85,781	1,637,177
Furniture, fixtures & equipment, net	1,295,441	975,614
Other assets:		
Rent deposits		450
Refundable deposits	11,338	3,292
Note receivable	3,000	3,000
Employee advances		4,000
Deferred registration costs	99,833	59,543
Total other assets	114,171	70,285
	$1,495,393	$2,683,076

The accompanying notes are an integral part of the financial statements.

VISITEL NETWORK, INC. AND SUBSIDIARY
CONSOLIDATED CONDENSED BALANCE SHEETS (CONTINUED)

LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)

	March 31, 1992 (UNAUDITED)	September 30, 1991
Current liabilities:		
Accounts payable	$342,139	$150,397
Accrued interest	45,775	26,053
Accrued expenses		24,261
Current portion of long-term debt	10,000	10,000
Total current liabilities	397,914	210,711
Long-term debt		500,000
	397,914	710,711
Minority interest		50,000
Shareholders' equity (deficiency):		
Preferred stock, series A, 10% cumulative, convertible, par value $2.00 per share 500,000 shares authorized, issued and outstanding at September 30, 1991	1,000,000	1,000,000
Common Stock, par value $.002 per share, 10,000,000 shares authorized; issued and outstanding 6,517,796 and 6,184,881 at March 31, 1992 and September 30, 1991 respectively.	13,036	12,166
The outstanding common shares at March 31, 1992 and September 30, 1991 have 2,385,000 redeemable class "B" warrants issued and outstanding to purchase 2,385,000 shares of common stock at $2.00 per share expiring February 1, 1994.		
Capital in excess of par	5,893,492	5,080,362

(Continued)

The accompanying notes are an integral part of the financial statements.

VISITEL NETWORK, INC. AND SUBSIDIARY
CONSOLIDATED CONDENSED BALANCE SHEETS (CONTINUED)

LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY) CONT'D

	March 31, 1992 (UNAUDITED)	September 30, 1991
Common Stock subscribed, 104,000 shares at $2.00 per share at March 31, 1992 and September 30, 1991 respectively.	4,000	208,000
Accumulated deficit	(5,806,664)	(4,371,778)
	1,103,864	1,928,750
Less Stock subscription receivable	(4,000)	(4,000)
Less warrant proceeds receivable	(2,385)	(2,385)
	1,097,479	1,922,365
	$1,495,393	$2,683,076

The accompanying notes are an integral part of the financial statements.

VISITEL NETWORK, INC. AND SUBSIDIARY
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED MARCH 31, 1992 AND 1991

(UNAUDITED)

	1992	1991
Revenue:		
Sales	$79,981	$ 47,039
Costs and expenses:		
Production	(30,093)	9,125
Rents	112,932	31,947
Salaries, wages and employee benefits	331,050	217,440
General and administrative	207,182	120,767
Depreciation	108,511	36,207
Taxes and licenses	(1,319)	1,481
	729,163	416,967
Operating loss	649,182	369,928
Other (revenue) expense:		
Rental income	(10,831)	(1,200)
Interest income	(2,604)	(6,852)
Interest expense	7,222	21,463
	(6,213)	13,411
Net Loss	$642,969	$ 383,339
Net Loss per share	$ 0.10	$ 0.09
Weighted average number of common shares outstanding	6,479,275	4,442,045

The accompanying notes are an integral part of the financial statements.

VISITEL NETWORK, INC. AND SUBSIDIARY
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
SIX MONTHS ENDED MARCH 31, 1992 AND 1991

(UNAUDITED)

	1992	1991
Revenue		
Sales	186,130	59,634
Costs and expenses:		
Production	32,918	21,775
Rents	213,084	84,374
Salaries, wages, and employee benefits	628,459	398,967
General and administrative	588,860	265,290
Depreciation	171,384	51,919
Taxes and licenses	4,256	2,160
	1,638,961	824,485
Operating loss	1,452,831	764,851
Other (revenue) expenses:		
Rental income	(22,131)	(1,200)
Interest income	(15,536)	(6,852)
Interest expense	19,722	34,874
	(17,945)	26,822
Net loss	$1,434,886	$ 791,673
Net loss per share	$ 0.22	$ 0.18
Weighted average number of common shares outstanding	6,479,075	4,442,045

The accompanying notes are an integral part of the financial statements.

VISITEL NETWORK, INC. AND SUBSIDIARY
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED MARCH 31, 1992 AND 1991

(UNAUDITED)

	1992	1991
NET CASH USED IN OPERATING ACTIVITIES	$(1,147,056)	$(752,292)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(491,211)	(461,173)
Loan receivable		(3,000)
NET CASH USED IN INVESTING ACTIVITIES	(491,211)	(464,173)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of long-term debt		255,800
Proceeds from issuance of preferred stock		1,000,000
Proceeds from issuance of common stock	264,000	850,000
Proceeds from issuance of subsidiary stock		50,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	264,000	2,155,800
NET INCREASE (DECREASE) IN CASH	(1,374,267)	939,335
CASH - BEGINNING OF PERIOD	1,418,859	115,822
CASH - END OF PERIOD	$44,592	$ 1,055,157

The accompanying notes are an integral of the financial statements.

VISITEL NETWORK, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED MARCH 31, 1992 AND 1991

(UNAUDITED)

1. Summary of Significant Accounting Policies and Description of Business:

Basis of presentation:

The financial information included herein is unaudited; however, such information reflects all adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results for the interim periods.

The results of operations for the three month and six month periods ended March 31, 1992, are not necessarily indicative of the results to be expected for the full year. Moreover, these financial statements do not purport to contain complete disclosure in conformity with generally accepted accounting principles and should be read in conjunction with the Company's audited financial statements at, and for the fiscal year ended September 30, 1991.

History of Visitel Network, Inc. (f/k/a) Baccarat Capital Corp.:

Visitel Network, Inc., a nonoperating public blind pool, (the Company) was originally incorporated in the State of Delaware on October 31, 1988, as Baccarat Capital Corporation (Baccarat). Since its inception, Baccarat was primarily engaged in the procurement of capital and completed an initial public offering on June 28, 1989.

On May 11, 1990, Baccarat, through an exchange agreement, acquired a minimum of 80% of the outstanding shares of Visitel Network, Inc., a private Nevada Corporation, (VNI-Nevada) based in Las Vegas, Nevada. On May 23, 1990, Baccarat changed its name to Visitel Network, Inc. and effected a one-for-two reverse split of its common stock and proportionately adjusted the terms of the Company's class A warrants which expired in April 1991. The acquisition resulted in the VNI-Nevada Shareholders emerging with a larger portion of voting rights of the combined company (approximately 62% as of March 31, 1992). Accordingly, the transaction has been treated for accounting purposes as a reverse purchase acquisition and, as a result, the historical operations of VNI-Nevada became the results of operations of the combined company from the inception of the Company on October 31, 1988. The accounting is similar to the pooling-of-interest method.

1. Summary of Significant Accounting Policies and Description of Business:(Cont'd)

Principles of consolidation:

The consolidated financial statements include the accounts of the Company Visitel Network, Inc., a Nevada corporation (VNI-Nevada) and Visitel Network, Inc. - Orlando, a Florida corporation. Significant intercompany accounts and transactions have been eliminated. The Company operates in one business segment as described below.

Earnings per share:

The computation of earnings per share is based on the weighted average number of outstanding common shares. Common stock subscribed is treated as outstanding from the date subscribed. Outstanding class "B" warrants as well as convertible preferred stock are not considered in the computation because they are considered anti-dilutive.

Description of subsidiary business:

VNI-Nevada was incorporated in Nevada on June 21, 1988. Mr. Herb Kaufman and members of his family owned approximately 73% of the common stock of VNI-Nevada prior to the acquisition and at March 31, 1992, are the Company's principal shareholders at 42%. Since its inception VNI-Nevada has been engaged in the broadcast business. VNI-Nevada, dba Las Vegas Television, broadcasts 24 hour televised visitor information to rooms in several hotels in Las Vegas, Nevada, Tampa Bay and Orlando, Florida, Dallas and San Antonio, Texas, Louisville, Kentucky, San Francisco, San Diego and Anaheim, California. VNI-Nevada also controls the same type of broadcasting rights for 13 other cities in the United States, although those stations are not yet operational. The programming is transmitted via microwave to broadcast antennas for distribution to receiver antennas. VNI-Nevada installs and maintains the equipment in hotels free of charge. Revenues result from the sale of air time to advertisers. VNI-Nevada has the ability to sell continuous air time dedicated to special events.

2. Furniture, Fixture and Equipment:

Furniture, fixtures and equipment consists of the following:

	March 31 1992	September 30, 1991	Service Life (years)
Furniture, fixtures and equipment	$1,732,885	$1,241,674	5-7
Leasehold improvements	13,796	13,796	5-7
	1,746,681	1,255,470	
Accumulated Depreciation	451,240	297,856	
	$1,295,441	$975,614	

3. Long-term Debt:

	March 31, 1992	September 30, 1991
10% convertible notes payable dated September 5, 1990, due on or before September 30, 1995, interest payable semi-annually on March 30 and September 30 at 10%(1)		$500,000
Note payable, unsecured, due on demand	$10,000	10,000
	10,000	510,000
	(10,000)	(10,000)
	$ -0-	$500,000

(1) The notes are convertible into common stock at the rate of one share of common stock for each $2.00 of principal amount of the note. Effective November 13, 1991, the Company has registered the shares issuable upon conversion. The Company will have the right to compel the holders of the notes to convert under certain conditions. As of March 31, 1992, all notes had been converted to common stock.

4. Preferred stock:

On January 3, 1991, the Company amended its certificate of incorporation to authorize 500,000 shares of series A preferred stock, $2.00 par value. As more fully described in the series A preferred stock certificate, the holders of preferred stock will be entitled to cumulative preferential dividends at 10% if declared; preference to liquidation distributions; conversion to one common share for each series A preferred share; voting rights as if common stock; and the Company shall have the right to compel the holders to convert into common stock under certain conditions. The Company commenced a private offering to accredited investors of the 500,000 preferred shares on a "best efforts" basis at an offering price of $2.00 per preferred share. As of December 31, 1991, the 500,000 preferred shares had been sold for $1,000,000. As of December 31, 1991, demand has been made by the Company for conversion of the preferred shares. The preferred shares were tendered for conversion subsequent to December 31, 1991.

5. Common Stock and Capital in Excess of Par:

The Company completed an initial public offering on June 28, 1989, and sold 66,250 units at $4 per unit for gross proceeds of $265,000. Net proceeds amounted to $218,811 after offering costs of $46,189 were accrued and paid. In accordance with the terms of the offering, the Company issued 66,250 shares of Common Stock and 66,250 Class A warrants. The class A warrant entitles the holder to purchase one (1) share of common stock at $6 per share for a period of twelve months from April 28, 1989. During April 1990, the exercise period was extended one year to April 28, 1991. The Company registered an additional 150,000 shares and 150,000 warrants on behalf of insiders, thereby permitting these insiders to sell such units in the open market, from time to time, after the effective date of the registration statement and prior to the time the Prospectus contained therein was no longer current. The prospectus is no longer current. None of these warrants were exercised and they expired on April 28, 1991.

As a result of the May 11, 1990 exchange agreement, the Company has acquired as of March 31, 1992, 100% of VNI-Nevada outstanding shares. The agreement provided for the issuance of up to 3,904,250 of the Company's shares for 100% of VNI-Nevada's 1,775 shares. In addition, 70 shares of VNI-Nevada sold subsequent to the agreement have been exchanged for Company shares at the exchange rate called for in the agreement.

5. Common Stock and Capital in Excess of Par:(Cont'd)

On May 23, 1990, the Company effected a one-for-two reverse split of its common stock and proportionately adjusted the terms of the Company's class A warrants.

6. Common Stock Warrants Outstanding:

On March 20, 1991 , the Company approved 2,145,000 class "B" warrants. The terms of the warrant entitles the holder to purchase one (1) share of common stock at $2.00 per share for a period ending on February 1, 1994. 1,350,000 warrants are held by affiliates and family members. An additional 230,000 class "B" warrants were issued in July 1991 making the total class "B" warrants 2,375,000.

7. Stock Subscriptions Receivable:

As of March 31, 1992, the Company had outstanding common stock subscriptions receivable of $4,000 relating to subscriptions of 2,000 shares of common stock at a subscription price of $2.00 per share. For purposes of loss per common share computations, the stock relating to the subscriptions is treated as outstanding from the date of subscription.

8. Lease Commitments and Contingencies:

VNI-Nevada leased its office in Las Vegas, Nevada which is also the Company's corporate office at an annual rate of $40,800 plus utilities, taxes and insurance through September 30, 1993.

Future minimum lease payments required under non-cancelable operating leases for broadcasting antenna sites, broadcasting right leases and office space in various cities are as follows:

8. Lease Commitments and Contingencies (continued):

Year Ending September 30,	
1992	$ 242,286
1993	154,988
1994	82,610
1995	65,936
1996	29,170
Thereafter	45,240
	$ 620,230

Rent expense was $213,084 and $84,374 for the six months ended March 31, 1992 and 1991, respectively.

In September 1991, the Company entered into a sub-lease for it's Louisville, Kentucky transmission site and equipment for a nine year term beginning September 1, 1991. The lessee is required to pay the Company's monthly rent charged by the original lessor through the term of the initial lease. As additional consideration for the lease, the lessee is to pay $24,500 in several payments beginning October 5, 1991 through January 5, 1992. Aggregate future minimum rentals to be received under this arrangement are $114,355 as of March 31, 1992.

The title to all equipment leased under this agreement remains with the Company. The cost and associated accumulated depreciation of the equipment included in furniture, fixtures and equipment of the Company at March 31, 1992 is as follows:

Cost	$52,741
Accumulated Depreciation	(11,979)
	$40,762

9. Subsequent Events:

Subsequent to March 31, 1992, the Company received $710,000 from an investor in the Company. As of the date hereof, however, the nature of the investment (debt or equity) is yet to be determined.

PART I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

During the second quarter of fiscal 1992 (the three months ended March 31, 1992), the Company had sales of $79,981 as compared to $47,039 for the second quarter of fiscal 1991. During the six months ended March 31, 1992, the Company had sales of $186,130 as compared to $59,634 for the six month period ending March 31, 1991. Sales for April and May 1992 have significantly increased. The increase of $32,942 and $126,496 for the three and six months periods respectively represents the effect of renewed emphasis on sales during the current year as more sites became operational. The primary reason for the sales increase was attributable to the expansion of the network.

The company does not begin to receive advertising revenues until it commences broadcast operations in a given city. In the company's experience, advertising commitments do not begin until about 45 days after the commencement date. Generally, the Company commences broadcast operations before it has completed developing its viewer base (hotel/motel installations) in a given market. As the Company nears completion of the development of its viewer base in a given market, its primary efforts shift to procuring advertising. As of the date hereof, the Company has virtually completed viewer base development in Las Vegas,Orlando, Louisville,San Francisco,San Antonio,San Diego, and Orange County. With the hiring of a National Sales Director and a National Sales Meeting to kick off the sales effort in late March, sales have tripled over the past two months. As a result, management believes that revenues from these markets will continue to increase significantly, along with the overall national advertiser sales campaign. The Company's stations in Tampa Bay and Dallas, are currently broadcasting and are in the process of completing the viewer base. Management anticipates that the viewer base development in these markets should be completed early in the third quarter of 1992.

Management believes that it is capable of maintaining a competitive position within its advertising market because its medium, television broadcasting, is more current than other forms of advertising and less expensive and more focused than advertising on the major television networks. Trends in advertising fluctuate with the economy. Management believes that the attraction of "concept advertising" has increased and that advertisers are interested in high frequency and targeted demographics.

Local cyclical trends in those cities where the Company operates or plans to operate could have an effect on the local advertising revenue of the Company; however, management believes that, with the Company's geographic dispersion across the United States, local cyclical effects will offset each other. Notwithstanding the foregoing, the national economic recession is causing a reduction in advertising dollars.

The Company's costs and expenses during the second quarter of fiscal 1992 increased compared to the second quarter of fiscal 1991. The Company also had increased costs and expenses for the six months ended March 31, 1992 as compared to the six months ended March 31, 1991. The rise is due to a significant increase in activity, including the cost of operating in Las Vegas, Tampa Bay, Orlando, Dallas, San Antonio, Louisville, San Diego, And San Francisco; and costs related to new stations in Anaheim and Los Angeles, California. Costs of installation and other non-recurring expenditures (including capital expenditures such as equipment) were approximately $ 250,000 during the second quarter of fiscal 1992. The increase in the costs and expenses was primarily due to $ 114,500 and $ 229,492 increases in salaries and benefits from hiring additional staff and additional compensation to key employees and officers. For the three and six months ended March 31, 1992, respectively general and administrative expenses increased by $ 86,400 and $ 323,570 over the three and six months ended March 31, 1991, respectively due to increased corporate expenses, professional fees and growth in the Company's operations. Management is unaware of any trends or events that could affect expenses over the next fiscal year. Salaries and wages and general operating expenses should remain constant in markets currently developed. The cost for individual equipment has been maintained at the same level over the past year and there is no indication of a rise in equipment costs due to inflation or otherwise. Management believes that costs and expenses will decline by the fourth quarter of fiscal 1992 due to the fact that the capital outlay for equipment to complete building the viewer base will be finished.

The primary costs of operating sites in a city are equipment purchase, installation and maintenance, equipment rentals, salaries for support staff and operating expenses, including rent, utilities, commissions, mileage, distribution fees, travel and other sales office expenses.

Liquidity and Capital Resources

The Company has emphasized the development of its "network" and did not concentrate on sales and marketing until recent quarters. As a result, the Company sustained net losses for the three years ended September 30, 1991, 1990 and 1989, of $2,275,551, $966,406 and $590,715, respectively, and has sustained a net loss for the six months ended March 31, 1992 of $1,434,886. With stations in nine cities now operating, management believes that they have

sufficiently developed a network to attract local, regional and national sales. As noted above, advertising sales have significantly and progressively increased in March of 1992. At present, management plans to concentrate primarily on the nine city network. The focus being to establish a profitable network of nine cities before continuing expansion of the proposed twenty one station network. Notwithstanding the foregoing if the Company is able to obtain sufficient outside funding, sufficient excess revenues from its current nine city network and or the Company obtains an opportunity to enter a new city at nominal initial costs(i.e. through an arrangement with a local cable company) the Company will continue to build and expand the network.

At March 31, 1992, the Company had $44,592 in cash and cash equivalents as compared to $1,418,859 at September 30, 1991. This decrease is due primarily to the net loss for the six months ended March 31, 1992.

Management estimates that the completion of the remaining twelve cities in the twenty-one station network will cost approximately $3,500,000. Station construction is initially capital intensive, but once a station is complete, maintenance and operating costs are estimated to range from $8,000 to $10,000 per month per station. Management estimates that it takes between five and six months and costs between $195,000 and $365,000 to prepare a city for broadcast operations. If less than all of the Warrants are exercised, the time frame for completing the network would be dependent on the amount of future advertising revenues and additional financing actually received.

The Company establishes a station by broadcasting on its own frequency or by using an existing cable television hook-up. The first approach utilizes a transmitter/antenna signal and represents the higher of the two in systems installations costs. This method is envisioned in the estimated cost used by the Company. The use of cable television involves paying rent to a cable company for utilization of its cable lines into hotel rooms. Although the use of existing cable lines is initially less expensive, the arrangement depends upon obtaining and maintaining lease agreements with the cable company which currently costs approximately $3,000 per month per site. The company is currently broadcasting on its own frequencies in Las Vegas, Orlando, Tampa Bay, Dallas, San Antonio, Louisville, San Diego and Anaheim and is presently leasing cable lines in San Francisco. Management does not believe that there are any limitations to the Company's network growth from either of the two methods.

Management believes it has sufficient capital resources in cash to fund the present network operations on an on-going basis for the next year. The Company has exercised its rights to compel the holders of the Convertible Notes to convert into Common Stock Shares and the Notes have been converted as of March 31, 1992. The conversion of the Notes has significantly reduce the Company's long-term debt. Management believes that if necessary, the

Company could obtain debt financing to further develop and expand its network. As noted previously, subsequent to March 31, 1992, the Company received $710,000 from an investor. Those funds should be adequate enough to support operations through the remainder of the fiscal 1992.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 2. Changes in Securities

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

None; however, a special meeting of stockholders will be held on May 28, 1992. See the definitive proxy materials filed with the Securities and Exchange Commission on or about May 11, 1992.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registration has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VISITEL NETWORK, INC.

Dated: May 19, 1992

John Adams, Treasurer and
Chief Financial Officer

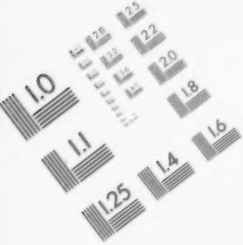
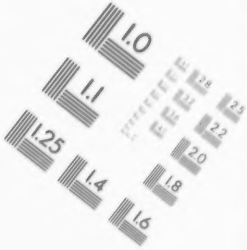
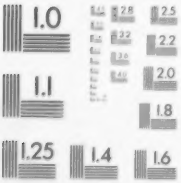
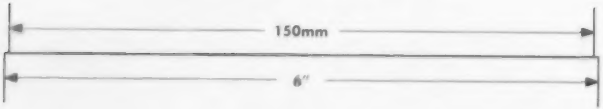
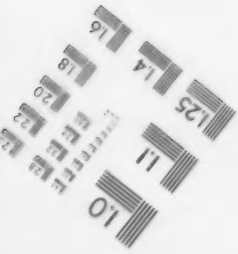


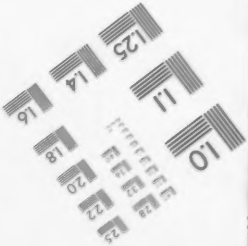
IMAGE EVALUATION TEST TARGET (MT-3)











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